

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO COMMITTEE PRINT
OFFERED BY M____.

Strike all of the text of the committee print and insert the following:

1 TITLE II—COMMITTEE ON EDU-
2 CATION AND THE WORK-
3 FORCE

4 Subtitle D.—Family Education
5 Reimbursement

6 SECTION 2301. SHORT TITLE.

7 This subtitle may be cited as the “Family Education
8 Reimbursement Act of 2005”.

9 SEC. 2302. FAMILY EDUCATION REIMBURSEMENT AC-
10 COUNTS.

11 (a) ESTABLISHMENT.—The Secretary of Education,
12 in consultation with the Secretary of Health and Human
13 Services, shall—

14 (1) establish a Family Education Reimburse-
15 ment Account Program under which, at the direction
16 of the parent of each displaced student who signs up
17 under subsection (d), the Secretary provides reim-
18bursement to enable the student or preschool-age



1 child to attend the school or preschool program of
2 his or her parent's choice during the 2005–2006
3 school year;

4 (2) reserve 2 and one third percent of the
5 amount available to carry out this section for fiscal
6 year 2006 of which—

7 (A) not more than 14 percent of such re-
8 served amount shall be used for administrative
9 expenses, including outreach, support services,
10 and dissemination of information; and

11 (B) not more than 86 percent of such re-
12 served amount shall be used to provide competi-
13 tive grants based on demonstrated need to local
14 educational agencies that have served displaced
15 students, for the purposes described in section
16 723 of the McKinney-Vento Homeless Assist-
17 ance Act (42 U.S.C. 11433); and

18 (3) contract with a nongovernmental entity to
19 administer and operate the program.

20 (b) REIMBURSEMENT.—

21 (1) IN GENERAL.—In carrying out this section,
22 the Secretary—

23 (A) shall allow the parent of the partici-
24 pating displaced student to select the school or



1 preschool program to be attended by the stu-
2 dent during the 2005–2006 school year;

3 (B) at the direction of the parent, shall
4 provide reimbursement to that school or pre-
5 school program on a quarterly basis; and

6 (C) in the case of a public school, may pro-
7 vide such reimbursement to the appropriate
8 local fiscal agent for the school.

9 (2) AMOUNT.—In providing reimbursement
10 under paragraph (1), the Secretary shall—

11 (A) determine the amount of reimburse-
12 ment to a school or preschool program based on
13 the number of weeks during which the partici-
14 pating displaced student attended the school or
15 preschool program during the preceding quar-
16 ter;

17 (B) subject to subparagraph (C), provide
18 the same amount of reimbursement to each
19 school and preschool program for each week of
20 attendance by one participating displaced stu-
21 dent;

22 (C) not provide reimbursement that ex-
23 ceeds the actual cost of the school for educating
24 students, or the actual cost of the preschool



1 program, for the same period for students or
2 children who are not displaced students;

3 (D) not provide reimbursement of more
4 than—

5 (i) \$6,700 on behalf of any displaced
6 student for the 2005–2006 school year;
7 and

8 (ii) notwithstanding clause (i), \$8,200
9 on behalf of any displaced student who is
10 a child with a disability receiving services
11 under part B of the Individuals with Dis-
12 abilities Education Act (20 U.S.C. 1411 et
13 seq.) for the 2005–2006 school year; and

14 (E) discontinue reimbursement once a dis-
15 placed student returns to the school or pre-
16 school program he or she attended prior to Au-
17 gust 29, 2005.

18 (3) USE OF FUNDS.—The Secretary may pro-
19 vide reimbursement under paragraph (1) on behalf
20 of a displaced student only if the school or preschool
21 program involved agrees—

22 (A) to use the reimbursement for providing
23 educational and other services;

24 (B) not to use the reimbursement for the
25 construction or renovation of facilities;



1 (C) not to accept Federal funds provided
2 under the Child Care and Development Block
3 Grant Act of 1990 (42 U.S.C. 9858 et seq.),
4 under the Head Start Act (42 U.S.C. 9831 et
5 seq.), or through any State program funded
6 under part A of title IV of the Social Security
7 Act (42 U.S.C. 601 et seq.), for any expenses
8 reimbursed under paragraph (1) with respect to
9 such displaced student; and

10 (D) not to displace a child already enrolled
11 in the school or preschool program in order to
12 accommodate a displaced student or preschool
13 child seeking enrollment pursuant to this sec-
14 tion.

15 (c) ACCOUNTING OF FUNDS.—The Secretary shall
16 provide an appropriate accounting of funds for each school
17 or program that receives a payment on behalf of one or
18 more participating displaced students under this section.

19 (d) REGISTRATION.—

20 (1) IN GENERAL.—To seek to participate in the
21 program under this section, the parent of a dis-
22 placed student shall sign up by means of the Inter-
23 net site, toll-free telephone number, or paper form
24 developed under subsection (e).



1 (2) ACCOUNT NUMBERS.—Upon completion of
2 registration for the program under this section—

3 (A) the displaced student shall be assigned
4 an account number; and

5 (B) the account number shall be made
6 available to the parent of the student.

7 (3) FAMILIES.—If a parent has more than one
8 child who is a displaced student—

9 (A) the parent shall be allowed to register
10 each child under this subsection at the same
11 time; and

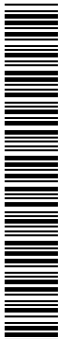
12 (B) the same account number under para-
13 graph (2) shall be provided to each child.

14 (e) FERA SYSTEM DEVELOPMENT AND ESTABLISH-
15 MENT.—

16 (1) IN GENERAL.—The Secretary shall develop
17 and implement a web-based system—

18 (A) to support the registration in the pro-
19 gram under this section of displaced students
20 by means of an Internet site, toll-free telephone
21 number, or paper form; and

22 (B) to facilitate the timely payment of
23 funds from the accounts of families partici-
24 pating in the program under this section to the
25 school or preschool program authorized to be



1 reimbursed for educational and other services
2 rendered.

3 (2) SYSTEM REQUIREMENTS.—

4 (A) INTERNET SITE; TOLL-FREE TELE-
5 PHONE NUMBER; PAPER FORM.—The Internet
6 site and toll-free telephone number developed
7 pursuant to paragraph (1)—

8 (i) shall be integrated with each other;

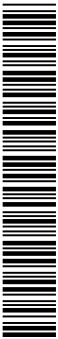
9 (ii) shall, with respect to the toll-free
10 telephone number, not be fully automated;

11 (iii) shall be operational not later than
12 2 weeks after the date of the enactment of
13 this section;

14 (iv) shall include privacy controls, con-
15 sistent with section 444 of the General
16 Education Provisions Act (20 U.S.C.
17 1232g);

18 (v) shall be accessible to participating
19 displaced students and their parents for
20 the purpose of determining—

21 (I) the amount expended under
22 this section on the student's behalf to
23 date; and



1 (II) the amount remaining for
2 expenditure under this section on the
3 student's behalf;

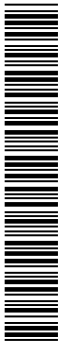
4 (vi) shall be accessible to schools and
5 preschool programs for the purpose of fa-
6 cilitating reimbursement under subsection
7 (b);

8 (vii) shall support non-English speak-
9 ing parents by providing information and
10 registration in an understandable and uni-
11 form format and, to the extent practicable,
12 in a language the parents can understand;

13 (viii) may use existing Federal grant
14 management and electronic payment sys-
15 tems;

16 (ix) shall include information tech-
17 nology and other controls necessary to pre-
18 vent fraud and overpayment, including
19 mechanisms to validate family and school
20 information; and

21 (x) shall provide technical support
22 services (including support for registration
23 and processing of accounts) to the families
24 of participating displaced students and the



1 schools and preschool programs in which
2 the students are enrolled.

3 (B) PAYMENT SYSTEM.—The Secretary
4 shall ensure that—

5 (i) the payment system required to
6 carry out this section is operational not
7 later than 4 weeks after the date of the en-
8 actment of this section; and

9 (ii) the first disbursements under this
10 section are made not later than 5 weeks
11 after the date of the enactment of this sec-
12 tion.

13 (3) CONTRACTOR REQUIREMENTS.—The Sec-
14 retary shall award the contract required by sub-
15 section (a)(3) to a nongovernmental entity that—

16 (A) has experience meeting the require-
17 ments described in paragraph (2)(A);

18 (B) demonstrates expertise in the develop-
19 ment and operation of information technology
20 infrastructures, including the supply and inte-
21 gration of hardware and software, information
22 management, electronic fund transfer payment
23 systems, and customer relations management
24 and outreach;



1 (C) demonstrates significant experience in
2 the development, implementation, and technical
3 support for payment management systems oper-
4 ated by agencies within the Federal Govern-
5 ment, including the Department of Education
6 and the Department of Health and Human
7 Services;

8 (D) demonstrates exemplary past perform-
9 ance in the areas of cost, schedule, and overall
10 performance;

11 (E) supports small business utilization
12 goals; and

13 (F) is based, and operates help desk serv-
14 ices, in the United States.

15 (f) TRANSFERRING STUDENTS.—

16 (1) IN GENERAL.—Subject to paragraph (2),
17 the Secretary shall continue to provide reimburse-
18 ment under this section on behalf of a participating
19 displaced student who transfers to one or more
20 schools or preschool programs during the 2005–
21 2006 school year.

22 (2) EXCEPTION.—The Secretary shall not pro-
23 vide reimbursement under this section on behalf of
24 a participating displaced student with respect to any
25 school or preschool program which the student at-



1 tends for less than 2 consecutive weeks during the
2 2005–2006 school year.

3 (g) ADDITIONAL AMOUNT FOR ADMINISTRATIVE EX-
4 PENSES.—In providing reimbursement to an entity under
5 this section—

6 (1) the Secretary shall include an additional
7 amount equal to 1 percent of the total amount of
8 such reimbursement to the entity for the purpose of
9 defraying administrative expenses;

10 (2) such additional amount shall not be counted
11 for purposes of the maximum reimbursement
12 amount specified in subsections (b)(2)(C) and
13 (b)(2)(D); and

14 (3) of the amount specified in subsections
15 (b)(2)(C) and (b)(2)(D), 100 percent of such
16 amount shall be made available to the school or pre-
17 school program.

18 (h) PROCUREMENT.—For purposes of the contract
19 required by subsection (a)(3), the Secretary shall utilize
20 expedited procurement procedures, including obtaining
21 services in accordance with the General Services Adminis-
22 tration multiple awards schedule contracts and section 8.4
23 of the Federal Acquisition Regulation for the procurement
24 of all services, and the following provisions of Federal ac-
25 quisition law shall not apply:



1 (1) Title III of the Federal Property and Ad-
2 ministrative Services Act of 1949 (41 U.S.C. 251 et
3 seq.).

4 (2) The Office of Federal Procurement Policy
5 Act (41 U.S.C. 403 et seq.).

6 (3) The Federal Acquisition Streamlining Act
7 of 1994 (Public Law 103–355).

8 (4) The Competition in Contracting Act.

9 (5) Subchapter V of chapter 35 of title 31, re-
10 lating to the procurement protest system.

11 (6) Regulations contained in the Office of Man-
12 agement and Budget Circular A–130.

13 (i) AUDIT.—The Secretary may provide reimburse-
14 ment under this section to a school or program on behalf
15 of a displaced student only if the school or program agrees
16 to allow the Secretary to conduct an audit to review and
17 verify that the school or program is using the reimburse-
18 ment in accordance with subsection (b)(3).

19 (j) NONDISCRIMINATION.—

20 (1) IN GENERAL.—The Secretary may provide
21 reimbursement under this section to a school or pre-
22 school program only if the school or program agrees
23 not to discriminate against participating displaced
24 students (including applicants) on the basis of race,
25 color, national origin, religion, or sex.



1 (2) APPLICABILITY AND SINGLE SEX SCHOOLS,
2 CLASSES, OR ACTIVITIES.—

3 (A) IN GENERAL.—Notwithstanding any
4 other provision of law, the prohibition of sex
5 discrimination in paragraph (1) shall not apply
6 to a school or preschool program that is oper-
7 ated by, supervised by, controlled by, or con-
8 nected to a religious organization to the extent
9 that the application of paragraph (1) is incon-
10 sistent with the religious tenets or beliefs of the
11 school or program.

12 (B) SINGLE SEX SCHOOLS, CLASSES, OR
13 ACTIVITIES.—Notwithstanding paragraph (1) or
14 any other provision of law, a parent may choose
15 and a school may offer a single sex school,
16 class, or activity.

17 (3) CHILDREN WITH DISABILITIES.—Nothing
18 in this section may be construed to alter or modify
19 the provisions of the Individuals with Disabilities
20 Education Act.

21 (4) RELIGIOUSLY AFFILIATED SCHOOLS.—

22 (A) IN GENERAL.—Notwithstanding any
23 other provision of law, a school or preschool
24 program receiving reimbursement under this
25 section that is operated by, supervised by, con-



1 trolled by, or connected to, a religious organiza-
2 tion may exercise its right in matters of em-
3 ployment consistent with title VII of the Civil
4 Rights Act of 1964 (42 U.S.C. 2000e-1 et
5 seq.), including the exemptions in such title.

6 (B) MAINTENANCE OF PURPOSE.—Not-
7 withstanding any other provision of law, funds
8 made available under this section on behalf of
9 participating displaced students that are re-
10 ceived by a school or preschool program, as a
11 result of their parents' choice, shall not, con-
12 sistent with the first amendment of the United
13 States Constitution, necessitate any change in
14 the school or program's teaching mission, re-
15 quire any school or program to remove religious
16 art, icons, scriptures, or other symbols, or pre-
17 clude any school or program from retaining reli-
18 gious terms in its name, selecting its board
19 members on a religious basis, or including reli-
20 gious references in its mission statements and
21 other chartering or governing documents.

22 (5) RULE OF CONSTRUCTION.—Reimbursement
23 (or any other form of support provided on behalf of
24 participating displaced students) under this section
25 shall be considered assistance to the student and



1 shall not be considered assistance to the school or
2 preschool program that enrolls the student.

3 (k) REPORTS.—At the end of each quarter described
4 in subsection (b)(2)(A), the Secretary shall submit a re-
5 port to the appropriate committees of the Congress de-
6 scribing the implementation and results of the program
7 under this section. Such report shall—

8 (1) specify the number of children served, the
9 percentage of funds used on instructional activities,
10 and the percentage of funds used for supplemental
11 educational services; and

12 (2) include information on the mobility of dis-
13 placed students.

14 (l) DEFINITIONS.—In this section:

15 (1) The term “displaced student” means a stu-
16 dent who is at least 4 years old, has not completed
17 12th grade, and would have attended another school
18 or preschool program during the 2005–2006 school
19 year, but for the fact that—

20 (A) the school, the program, or the sur-
21 rounding area was damaged by a Gulf hurri-
22 cane disaster; or

23 (B) the school or program could not re-
24 open shortly after the disaster because of dam-
25 age caused by the disaster.



1 (2) The term “Gulf hurricane disaster” means
2 a major disaster that was declared to exist by the
3 President, in accordance with section 401 of the
4 Robert T. Stafford Disaster Relief and Emergency
5 Assistance Act (42 U.S.C. 5170), and was caused by
6 Hurricane Katrina or Hurricane Rita.

7 (3) The term “parent” has the meaning given
8 to that term in section 9101 of the Elementary and
9 Secondary Education Act of 1965 (20 U.S.C. 7801).

10 (4) The term “participating displaced student”
11 means a displaced student participating in the pro-
12 gram under this section.

13 (5) The term “preschool program” means a
14 public or private child care or early education pro-
15 gram serving 4 or 5 year old children, including any
16 such Head Start program or public or private pre-
17 kindergarten program, that is in compliance with ap-
18 plicable State health and safety requirements.

19 (6) The term “school” means a public or pri-
20 vate elementary school or secondary school (as those
21 terms are defined in section 9101 of the Elementary
22 and Secondary Education Act of 1965 (20 U.S.C.
23 7801)), including a religious elementary school or
24 secondary school, that was legally operating in the
25 State involved before September 1, 2005.



1 (7) The term “Secretary” means the Secretary
2 of Education, in consultation with the Secretary of
3 Health and Human Services.

4 (m) FUNDING.—

5 (1) IN GENERAL.—Out of funds not otherwise
6 appropriated, there is hereby appropriated to the
7 Secretary of Education, to carry out this section,
8 \$2,500,000,000, to remain available through the pe-
9 riod ending on July 31, 2006. Any such funds that
10 are not obligated by the end of such period shall re-
11 vert to the Treasury.

12 (2) CONTRIBUTIONS.—Under such terms and
13 conditions as the Secretary may impose, the Sec-
14 retary may, for the purpose of carrying out this sec-
15 tion, accept and use such amounts as may be con-
16 tributed by individuals, business concerns, or other
17 entities for such purpose.

